

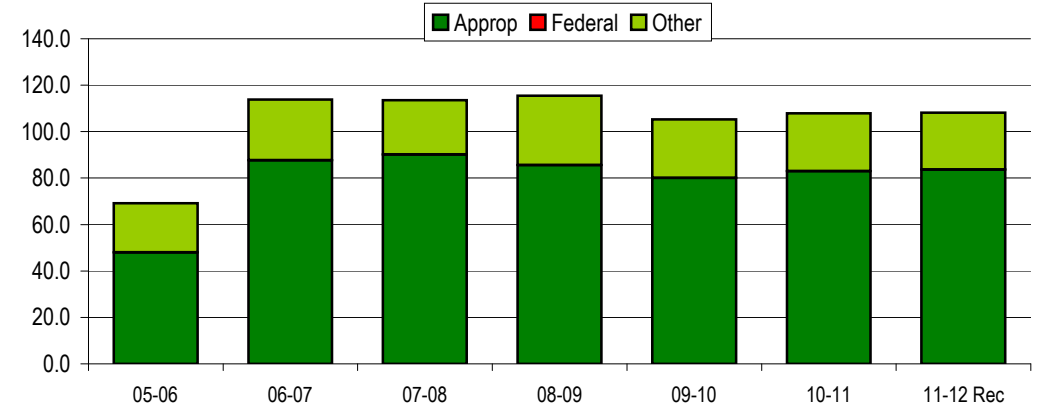
# DEPARTMENT OF REVENUE

## Finance, Ways & Means Committee

FUNDING (Million)									
	05-06	06-07	07-08	08-09	09-10	10-11	11-12 Imp	11-12 Rec	6 Yr Change
<b>Total</b>	\$69.2	\$113.9	\$113.5	\$115.5	\$105.3	\$107.9	\$5.5	\$108.2	56%
<b>Approp</b>	47.9	87.7	90.1	85.5	80.1	82.9	5.4	83.6	74%
<b>Federal</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0%
<b>Other</b>	21.3	26.2	23.4	30.0	25.2	25.0	0.1	24.6	16%

*In FY 06-07 Titling and Registration transferred from the Department of Safety.*

POSITIONS									
<b>Total</b>	929	1,175	1,189	1,136	1,115	1,092	1	1,070	15%
<b>FT</b>	911	1,157	1,171	1,118	1,099	1,076	1	1,054	16%
<b>PT</b>	18	18	18	18	16	16	-	16	-11%



### MAJOR PROGRAMS

Taxpayer and Vehicle Services  
Tax Processing  
Anti-Theft Unit

Tax Enforcement  
Tax Audit

BASE REDUCTIONS (Recurring)		FY11-12				FY10-11				FY09-10				FY08-09	
Program Area	Cumulative Reduction	Approp Reduction	Pos	One-time Restoration	Pos	Approp Reduction	Pos	One-time Restoration	Pos	Approp Reduction	Pos	One-time Restoration	Pos	Approp Reduction	Pos
	<b>(\$11.1M)</b>	<b>(\$1.1M)</b>	<b>(21)</b>	<b>\$0.0M</b>	<b>0</b>	<b>(\$1.6M)</b>	<b>(31)</b>	<b>\$0.1M</b>	<b>2</b>	<b>(\$4.7M)</b>	<b>(46)</b>	<b>\$0.1M</b>	<b>3</b>	<b>(\$3.7M)</b>	<b>(53)</b>
Abolish vacant positions		(\$1.0M)	(21)	-	-	(0.7)	(15)	-	-	-	-	-	-	-	-
Reduce Payroll Surplus		(\$0.1M)	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Prior Year Reductions - not continued</b>															
Close Humboldt, TN office		-	-	-	-	(0.0)	-	-	-	-	-	-	-	-	-
Abolish Unauthorized Substance Tax positions		-	-	-	-	(0.8)	(15)	-	-	-	-	-	-	-	-
Performance Base Budget		-	-	-	-	(0.06)	(1)	0.06	1	-	-	-	-	-	-
Abolish positions		-	-	-	-	-	-	0.05	1	(2.0)	(46)	0.1	3	-	-
Voluntary buyout related reductions		-	-	-	-	-	-	-	-	-	-	-	-	(3.7)	(53)
Transfer special investigations staff to vehicle-fraud		-	-	-	-	-	-	-	-	(0.4)	-	-	-	-	-
<i>Dedicated revenue will fund staff</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reduce excess payroll funds		-	-	-	-	-	-	-	-	(0.1)	-	-	-	-	-
Operational expenditures		-	-	-	-	-	-	-	-	(1.0)	-	-	-	-	-
Bring vehicle salvage certificate entry in-house		-	-	-	-	-	-	-	-	(0.2)	-	-	-	-	-
Print and mail fewer newsletters and renewals		-	-	-	-	-	-	-	-	(0.2)	-	-	-	-	-
Reduce certificates of title issued by county clerks		-	-	-	-	-	-	-	-	(0.3)	-	-	-	-	-
Bring Knox County title keying in-house		-	-	-	-	-	-	-	-	(0.3)	-	-	-	-	-
Change mgmt of field office inventory		-	-	-	-	-	-	-	-	(0.2)	-	-	-	-	-

PROPOSED IMPROVEMENTS	Total	State	Federal	Other
Wireless Emergency Telecommunication Service (\$116,100 - NR \$61,900)	\$0.1	0.0	0.0	0.1
Cigarette Fusion Stamps (68,400)	\$0.1	0.1	0.0	0.0
Information Technology Support (\$2,552,400 - NR \$347,400)	\$2.6	2.6	0.0	0.0
Develop and Implement Title and Reg System (TRUST) (\$2,400,000)	\$2.4	2.4	0.0	0.0
Multistate Tax Commission (MTC) Audit Program (\$241,200)	\$0.2	0.2	0.0	0.0
Title Issuance (\$100,000)	\$0.1	0.1	0.0	0.0

IMPROVEMENT HISTORY	
<b>Auditors</b>	<b>Tax Fraud Enforcement- Special Agent</b>
\$290,200 FY10-11      (4 positions)	\$96,100   FY 07-08
<b>Call Center Equipment Replacement</b>	\$98,700   FY 06-07
\$367,500 FY10-11      NR	
\$600,000   FY 08-09      NR	

PERFORMANCE MEASURES	04-05 (Act)	05-06 (Act)	06-07 (Act)	07-08 (Act)	08-09 (Act)	09-10(Act)	14-15 Goal
Cost of collection of every \$100 of revenue	58.9 cents	54.7 cents	74.6 cents	81.2 cents	86.8cents	82.5cents	81.9cents
Percent of tax returns filed electronically	13.56%	16.76%	21.12%	25.17%	30.73%	37.05%	50.00%

FUND BALANCES	06/30/06	06/30/07	06/30/08	06/30/09	06/30/10
<b>Carryforward-Unencumbered Balance</b>					
Streamline Sales Tax Initiative	\$0.2M	-	-	\$0.4M	\$0.4M
License Plate Production	\$3.8M	\$6.5M	\$6.0M	\$6.4M	\$6.8M
<b>General Fund Reserves</b>					
Title and Registration System	\$23.2M	\$23.9M	\$4.5M	\$2.2M	Unknown
<b>Special Revenue Fund Reserves</b>					
C.I.D. Anti-Theft	N/A	\$2.0M	-	\$0.5M	Unknown